

# CONVERTING TO CONDOMINIUMS

## STREET NUMBER ASSIGNMENT, MASTER DEED, APPORTIONMENT

### **What document(s) are needed by the Assessors' Office?**

A recorded Master Deed is the only document needed by the Assessors' Office. The Master Deed is the document that after being recorded at the Registry of Deeds creates the condominium units (along with the floor and site plans) and specifies what the common areas and boundaries are for each unit. It also specifies the rights and obligations of the unit owners, including the exclusive right to use areas for each unit (such as balconies, storage areas, and parking spaces). The Master Deed allows the "declarant," who is the person creating the condominium, to separate the property rights into multiple pieces.

### **Besides the Master Deed, is there any other concern I should have before recording the Master Deed?**

Yes. Before recording the Master Deed, we ask that you request the Town to review and approve the street numbers. With the implementation of more specialized services from the Town, as well as from the Commonwealth of Massachusetts, including Geographic Information Systems (GIS), addressing standards and requirements have become very specific in the last few years. The Town of Belmont, through its Town Meeting, adopted a set of address standards that are to be applied to all new developments as well as considered for existing properties. The Town has developed a process to review and implement adherence to these standards and requirements, and this is the reason why we ask that the street numbers be reviewed and approved prior to the Master Deed being recorded. The Town Clerk's office coordinates the review and assignment of street numbers, so please contact the Town Clerk's office at 617-993-2600 or visit the Town's website at [www.belmont-ma.gov](http://www.belmont-ma.gov), or download the [Street Address Assignment Request form](#), an option from the Town Clerk webpage, or [click here](#) for the form. The Town Clerk's office is located in Town Hall, 455 Concord Avenue, with office hours of Monday through Friday 8:00am to 4:00pm.

Otherwise, there currently are no by-laws in the Town of Belmont regarding converting a 2-family, 3-family or multi-family home into condominium units.

### **After the Master Deed is recorded, when will the property be assessed as condominiums for the first time?**

Due to the property tax structure established by Massachusetts statute, there are occasions where a property changes ownership or its use may change, such as a condominium conversion, and those changes are not immediately reflected on the real estate tax bills.

The real estate tax bills for any given fiscal year relate to the property's status and attributes as of the January 1 preceding that fiscal year. This date is known as the assessment date. For example, for FY2015, which covers the period of July 1, 2014 through June 30, 2015, the assessment is based on the property's status and attributes as of January 1, 2014.

Master Deed Recorded in Calendar Year	Conversion Reflected on First Quarter Tax Bill in Fiscal Year
2014	2016
2015	2017
2016	2018
2017	2019

## What do unit owners do until the time when the property is assessed and taxed as condominium units?

Unit owners should request what is called an "Apportionment of the Real Estate Tax Bill". The apportionment request form is located on the Assessors page of the Town's website [www.belmont-ma.gov](http://www.belmont-ma.gov) or [click here](#) for the form.

The timing of the recording of the Master Deed can create confusion, especially when there is a period of time when the condo unit owners are not receiving their own individual tax bills. This does not mean that each condo unit owner is not responsible for property taxes. To cover that period of time, the unit owners can request the Apportionment of the Real Estate Tax Bill from the Assessors' Office. The apportionment request form is located on the Assessors page of the Town's website [www.belmont-ma.gov](http://www.belmont-ma.gov) or [click here](#) for the form.

This apportionment is in the form of a letter from the Assessors' Office, and it is usually a format that is acceptable by the lending companies. It would be advisable for the unit owner to make a copy of the apportionment letter prior to submitting it to the lending company.

## How is an Apportionment of the Real Estate Tax Bill calculated?

Included in the Apportionment of the Real Estate Tax Bill is the percentage of common interest for each unit, which is taken from the Master Deed. The amount that each unit owner is responsible for is calculated using the percentage of common interest, therefore a unit's share of the bill is calculated by multiplying the bill amount by the unit owner's percentage interest of the condominium.

**Example:** a 2-family converts to a condominium with the Master Deed being recording on December 10, 2013. The third quarter tax bill for FY2014 indicates a total tax bill of \$5,500. The Master Deed indicates a percentage interest for U1 of 35% and U2 of 65%. The FY2014 tax bill amount for each owner is shown below:

Unit	Percentage Interest	Tax Bill Amount Owner is Responsible For
1	35%	\$1,925.00
2	65%	\$3,575.00

*Note: Keep track of any payment you make on your taxes for your unit. If another unit owner does not pay their portion of the overall tax bill, you want to have proof showing that you have paid your portion.*

If you have questions, contact the Assessor's Office at (617) 993-2630.